Customer Perception Towards ATM Services a Case Study on PNB

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Abstract---The Automated Teller Machine (ATM) has become an integral part of our life and society. ATM is effectively reached out to a large customer base at the lowest cost. At present most of the banks have networking systems for their e-banking services like ATMs. This study aims at analyzing the perception & satisfaction level of customers of Punjab National Bank various aspects related to ATMs. The study adopted a performance-only approach to measuring customer satisfaction. Data will be collected from the way of the survey from bank customers and later on, will be analyzed by statistical techniques and tools like Descriptive Statistics, Percentage Method, and Ranking Method. The conclusion would be interpreting E-banking services Availed.

Keywords---ATM, customer satisfaction, e-banking.

Introduction

An automated teller machine (ATM) is an electronic banking outlet that allows customers to complete basic transactions without the aid of a branch representative or teller. Anyone with a credit card or debit card can access cash at most ATMs. ATMs are convenient, allowing consumers to perform quick self-service transactions such as deposits, cash withdrawals, bill payments, and transfers between accounts. Fees are commonly charged for cash withdrawals by the bank where the account is located, by the operator of ATM, or by both. Some or all of these fees can be avoided by using an ATM operated directly by the bank that holds the account (Kagan & Khartit, 2019). By the end of 1990, private and public sector banks in India came up with their ATM networks under the initiative of the Indian Banks Association in Mumbai. The Bank of India was the first nationalized bank to render ATM facilities to its customers in Mumbai. The bank-wise detail of ATMs in the country has been given in Table 1.

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Table 1
Bank-wise detail of ATMs in the Country (as on March 2019)

Sr. No.	Name of the Bank	ATMs On-site	Off-site	Total
Public Sector Banks		78,419	57,679	1,36,098
1	Allahabad Bank	636	200	836
2	Andhra Bank	3,027	771	3,798
3	Bank of Baroda	6,329	3,243	9,572
4	Bank of India	2,615	3,539	6,154
5	Bank of Maharashtra	1,306	552	1,858
6	Canara Bank	4,756	4,095	8,851
7	Central Bank of India	2,958	1,008	3,966
8	Corporation Bank	2,365	650	3,015
9	Dena Bank	1,225	288	1,513
10	Indian Bank	3,191	701	3,892
11	Indian Overseas Bank	2,966	484	3,450
12	Oriental Bank of Commerce	2,341	284	2,625
13	Punjab and Sind Bank	1,153	48	1,201
14	Punjab National Bank	5,318	3,937	9,255
15	State Bank of India	25,555	32,860	58,415
16	Syndicate Bank	4,104	405	4,509
17	UCO Bank	2,030	328	2,358
18	Union Bank of India	3,864	2,786	6,650
19	United Bank of India	993	1,024	2,017
20	Vijaya Bank	1,687	476	2,163
Private Sector Banks		26197	37143	63340
Foreign Banks		221	693	914
Total		1,04,837	95,515	2,00,352

Source: Reserve Bank of India - Publications. (2019). Rbi.Org.In.
https://www.rbi.org.in/Scripts/PublicationsView.aspx?id=19374

Review of Literature

According to Motwani & Shrimali (2012), in a study on consumer adoption &
satisfaction towards ATM service, A comparative study of Udaipur City, the
majority of customers are aware of cash withdrawal services of ATMs followed by
balance inquiry but there is no difference between the satisfaction level of public
and private bank customers towards ATM services. In the light of the above
empirically studied, it is quietly understanding the many researchers have
researched Automated Teller Machine (ATM) in Nigeria and other parts of the
world. However, it is pertinent to note that many types of research carried out on
ATM were conducted in other zones. This creates a big gap. To fill it's important to
analyze the impact of ATM services on customer satisfaction specific to Indian
banks.

Ogbuji et al. (2012), observed the Automated Teller Machines (ATMs) are one of
the existing replacements of the cascading labor-intensive transaction system
effected through what is popularly referred to as a paper-based paying
instrument. An ATM allows the bank's customers for conducting his/her banking

transactions from almost every other ATM machine in the world. The ATM, therefore, performs the traditional functions of bank cashiers and other staffing functions. It operates electronically & such responses for requesting to customers are doing instant.

Bishnoi (2013), present research concludes that ATM is very convenient and has any time anywhere usage. As the services of ATM and number of ATM is increasing day-by-day, and simultaneously, the number of ATM users is also increasing, so it is important on the part of the bank, to have an idea about what the ATM users are thinking about its various features, what are their problem areas, what are their recommendations, how do they compare the ATM service of this bank with that of any other bank, etc. Thus the findings of the study may be very useful for bank officials and it may also help the ATM section of the banks to develop their plans and strategies.

Bharathi (2019), The entire study considered only customers point of view, the customer's income level, and gender are availing the services provided by using ATM cards and No. of cards are used by the customers. Maximum 80 % of people know about ATM cards only TV& radio Advertisements, only 10% of peoples know about the same through Newspapers& Posters each. 84% of the respondents are having Two banks ATM cards, where 8% of ϖ them are having Three banks cards and 8% of the respondents are having Four banks cards

Malik & Bansal (2015), in their study ATM industry, are going to grow especially in India. India can be seen as a huge potential for this segment. The multivendor software system will also gain popularity in the coming years. The ATMs will soon become a personalized and user-friendly interface in years to come in India. This will soon become a popular public technology. Though the ATM industry is going to grow at a rapid pace there still exist some challenges and threats in minds of customers which also seem to be practical like; security issues of the software, rental costs are also increasing, replenishment of cash, and housekeeping costs are also increasing.

Mohammed (2012), in their study, concluded that the majority of respondents belong to the male category and in the age group of 20 to 30 years. The majority of respondents are a businessman and holding bank account since 2 years to 10 years old. The primary purpose of all the respondents to use the ATM facility is the withdrawal of cash. The majority of the respondents use the ATM facility at least once a week or more for 5 years. The most significant problem faced by the customers regarding ATMs in the out-of-cash and daily withdrawal Limits. The majority of respondents are fulfilling their cash requirements through ATM services and they are happy with less time-consuming and ATM available in their locality. Most of the respondents are not happy with the transaction cost charged by different banks for ATM services and their mechanism to address the grievances of the ATM customers.

Scope of the study

The present study was conducted to know the customer's perception of ATM services of PNB. Hence, only one bank, namely, Punjab National Bank, was

selected for the study. The study was conducted in two districts, namely Kullu and Mandi district. In these districts, customers of PNB bank were selected to achieve the objectives of the study. Therefore, it can be said that though the scope of internet banking is very wide the coverage of the present study was confined to Kullu and Mandi district and that is too to one bank (Agoyi & Seral, 2011; Suhr et al., 2012).

Objective of the study

- To study the customer's perception of ATM services.
- To assess the satisfaction level of the consumer's towards ATM services.
- To suggest measures for improving the system of ATM services,

Research Methodology

Sample design

The study was conducted in Punjab National Bank Two district of Himachal Pradesh; the respondents were bank customers. The sample size was 600 (300 from Kullu and Mandi each.)The sample was selected randomly who was the customer of Punjab National Bank.

Mathematical methods

In this study, the data collected have been analyzed with the help of mathematical methods, such as simple average and percentage to derive appropriate inferences and conclusions.

Statistical methods

The statistical methods applied in the present research work proved to be indispensable tools for collecting, organizing, analyzing, and interpreting data, expressed in the numerical term. The following statistical methods have been used in this work: Measurement of Central Tendency or Arithmetic Mean. The arithmetic mean has been applied to study the opinion of the respondents on a 5-point scale for different statements relating to awareness, usage, and impact of e-banking (Nimbalkar & Deodhar, 2015; Suariedewi & Suprapti, 2020). This tool has helped the researcher to draw the appropriate inferences from the responses calculated from the respondents. The arithmetic mean has been calculated by assigning numerical values to the qualitative statements. These values have been assigned for these qualitative responses as '5' for strongly agree/Highly satisfied, '4' for agree/Satisfied, '3' for Neutral, '2' for disagree/dissatisfied, and '1' for Strongly disagree/highly dissatisfied. It has been calculated by applying the following formula:

It has been calculated by applying the following formula:
Formula: $X = \sum fX / \sum f$
Here, X = Arithmetic mean; f = Frequency distribution on 5-point scale. x = Variable values

Result and Discussion

Bank provides different kinds of e-banking services to its customers, such as ATM-cum-Debit card, credit card, internet banking, mobile banking, etc. Data show that a hundred percent of respondents had ATM-cum-debit cards. About credit cards only 22.83 percent of respondents availed themselves and 77.17 percent of respondents did not. About internet banking out of the total respondents, 38.50 percent of respondents availed themselves of internet banking services.

Table 2
Opinion regarding E-banking services availed by customers

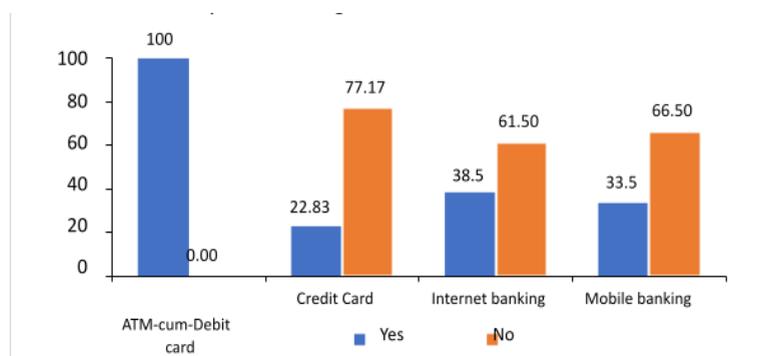| Service	Yes	No	Total
ATM-cum-Debit card	600 (100.00)	0 (0.00)	600 (100.00)
Credit Card	137 (22.83)	463 (77.17)	600 (100.00)
Internet banking	231 (38.50)	369 (61.50)	600 (100.00)
Mobile banking	201 (33.50)	399 (66.50)	600 (100.00)

Figure 1. E-Banking service availed
Note: Figures in parenthesis represent a percentage. Source: Primary probe

While 33.50 percent of respondents availed themselves of mobile banking services from the bank. Hence it can be concluded that ATM-cum-debit card was the most important service availed by the bank customers. It can also be said that people also availing of other services too (Guéguen & Jacob, 2013; Bilginol et al., 2015).

Comfort with E-banking services

E-banking is introduced for the comfort and convenience of bank customers. Therefore, it is important to know that which of the e-banking services the respondents were more comfortable with. The collected opinion has been depicted in Table 3. Data in Table 3 reveals that ATM-cum-debit card is at the first rank as far as the comfort of the customer was a concern. They gave the first rank to this

service. Credit card is at the second position followed by internet banking and mobile banking.

Table 3
Ranking of the comfort with E-banking services

E-banking	Points	Rank
ATM-cum-debit card	1664	1
Credit Card	303	2
Internet Banking	112	3
Mobile Banking	27	4

Source: Primary probe.

Note: Points are given as 4 to 1st rank; 3 to 2nd rank; 2 to 3rd rank and 1 to 4th rank. It indicates that still, people are more comfortable with ATM-cum-debit cards.

Frequency of ATM used

Table 4 reveals that a hundred percent of respondents had ATM-cum-debit cards. Now it is important to know the frequency of using ATM- cum-debit cards. The collected data have been shown in Table 4.

Table 4
Ranking of frequency of ATM used

ATM Used	Frequency	Percentage
Once	60	10.00
Twice	155	25.83
Thrice	141	23.50
More than thrice	234	39.00
None	10	1.67

Source: Primary probe.

Data show that 39.00 percent of respondents used their ATM card more than thrice a month, 25.83 percent used it twice a month, 23.50 percent of respondents used it thrice a month and only 10.00 percent of respondents used their ATM card once a month. Therefore, it can be inferred that about 98 percent of respondents used their ATM card in a month either more than thrice a month or twice a month, or thrice a month.

Mode of cash withdraw

For cash withdraw, a customer of a bank can use different kinds of modes, such as ATM, cheque, from bank counter, etc. Therefore, the data have been collected on the preference of sample respondents about the mode of cash withdraw. The collected data have been presented in Table 5.

Table 5
Mode of cash withdrawal

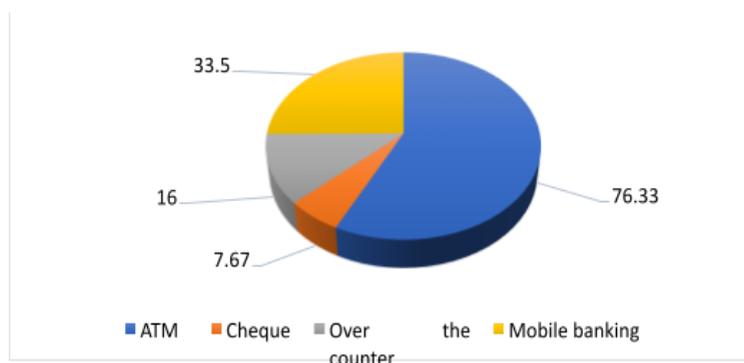| Mode	Frequency	Percentage
ATM	458	76.33
Cheque	46	7.67
Over the counter	96	16.00
Total	600	100.00

Figure 2. Mode of cash withdraw
Source: Primary probe.

Data in Table depict that 76.33 percent of respondents prefer ATM for cash withdrawal, 7.67 percent preferred cheques, and 16.00 percent of respondents preferred to go to the bank counter for cash withdrawal. Therefore, it can be concluded that the first preference for cash withdrawal of the majority of respondents was ATM.

Satisfaction with the ATM-cum-Debit card

Data related to the satisfaction with the ATM-cum-debit card have been presented in Table 6. Data in Table 6 show that the majority of respondents (54.50 percent) were highly satisfied. While 31.84 percent were satisfied with the location of the ATM. Whereas 2.50 percent of respondents were dissatisfied and 2.33 percent of respondents were highly dissatisfied. The statistical analysis shows that the mean score of the opinion of the respondent is 4.337, which much higher than the standard average mean score, that is, 3 at 5-point scale. It indicates that the opinion of the respondents is concentrated towards the higher side of the mean score. Hence, it can be concluded that respondents were either highly satisfied or satisfied with the location of the ATM booth (Liao & Cheung, 2002; Sohail & Shanmugham, 2003).

About the availability of services on demand, it was found that 44.33 percent of respondents were satisfied and 31.83 percent of respondents were highly satisfied. Whereas 15.50 percent of respondents remained neutral in this regard. The mean score (3.963) is higher than the standard average means score, which indicates that the opinion of the respondents is concentrated towards the higher side of the mean. Hence, it can be concluded that the customers were either satisfied or highly satisfied with the availability of service on demand.

About the correctness of the mini statement of account, the data show that 45.33 percent of respondents were highly satisfied and 36.00 percent of respondents were satisfied with the correctness of the mini statement of account. While2.17 percent of respondents were dissatisfied and 1.83 percent were highly dissatisfied (Sanchez-Franco, 2009; Gümüş et al., 2015). The mean score (4.208) is higher than the standard average mean score, that is, 3 on a 5-point scale. It reveals that the opinion of the respondents is concentrated towards the higher side of the mean. Therefore, it can be inferred that about 76 percent of respondents were either highly satisfied or satisfied with the correctness of the mini statement of account.

Table 6
Satisfaction with the ATM-cum-Debit card

Attributes	HD	D	N	S	HS	Total	$\bar{X}$
Location of ATM	14 (2.33)	15 (2.50)	53 (8.83)	191 (31.84)	327 (54.50)	600 (100.00)	4.337
Availability of service on demands	20 (3.33)	30 (5.00)	93 (15.50)	266 (44.33)	191 (31.83)	600 (100.00)	3.963
Correctness of mini statement	11 (1.83)	13 (2.17)	88 (14.67)	216 (36.00)	272 (45.33)	600 (100.00)	4.208
Presence of concerned staff for help	11 (1.83)	19 (3.17)	100 (16.67)	284 (47.33)	186 (31.00)	600 (100.00)	4.025
Usage training provided by the bank authorities	37 (6.17)	134 (22.33)	100 (16.67)	233 (38.83)	96 (16.00)	600 (100.00)	3.362
Security of online ATM-cum-debit card transaction	7 (1.17)	13 (2.17)	94 (15.67)	321 (53.50)	165 (27.50)	600 (100.00)	4.040
Overall service quality of ATM-cum-debit card	9 (1.50)	32 (5.33)	115 (19.17)	232 (38.67)	212 (35.33)	600 (100.00)	4.010

Note: i) HS= Highly satisfied; S=Satisfied; N=Neutral; D=Dissatisfied; HS=Highly dissatisfied; ii) $\bar{X}$ represents weighted mean; ii) Figures in parentheses represents percentage. Source: Primary probe
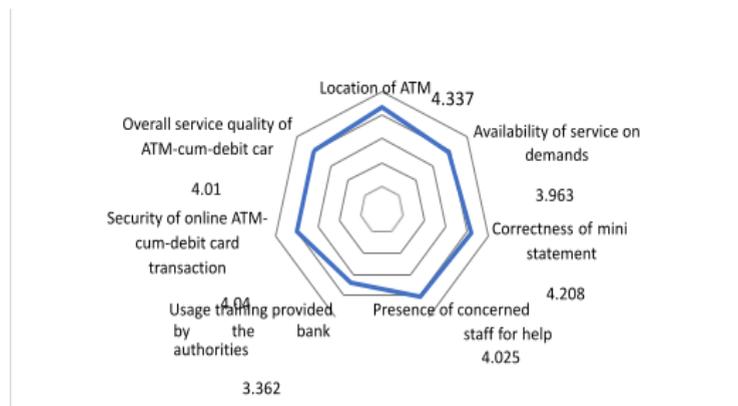
Figure 3. Mean score of the opinion about satisfaction with the ATM-cum Debit card

About the presence of concerned staff for help, figures in Table 4.13 depict that 47.33 percent of respondents were satisfied and 31.00 percent of respondents were highly satisfied with the presence of concerned staff for help. On the other hand, 3.17 percent of respondents were dissatisfied and 1.83 percent of respondents were highly dissatisfied with the presence of concerned staff for help. The statistical analysis reveals that the mean score of the respondents' opinion is 4.025, which is higher than the standard average mean score, that is, 3 on a 5-point scale. It reveals that the opinion of the respondents is concentrated towards the higher side of the mean. Hence, it can be concluded that respondents were either satisfied or highly satisfied with the presence of concerned staff for help (Ozatac et al., 2016; Mihelis et al., 2001).

About the satisfaction of respondents with usage training provided by the bank authorities, data reveal that out of the total respondents 38.83 percent of respondents were satisfied with it and 16.00 percent were highly satisfied. On the other hand, 22.33 percent of respondents were dissatisfied with this and 6.17 percent were highly dissatisfied. It shows that though the majority of respondents were either satisfied or highly satisfied, about one-third of respondents were either dissatisfied or highly dissatisfied. The mean score (3.362) is higher than the average mean score, which shows that the opinion of the respondent is concentrated towards the higher side of the mean score. Therefore, it can be concluded that the majority of respondents have shown their satisfaction with the usage training provided by the bank authorities.

ATM-cum-debit card is used to make an online transaction. Security in online transactions is an important issue. Therefore, data related to the satisfaction with the security of online transactions through ATM-cum-debit cards have also been collected. The data show that majority of respondents are either satisfied (53.50 percent) or highly satisfied (27.50 percent) as far as the security of the online transaction is concerned. The mean score of respondents' opinions is 4.040, which is higher than the average mean score. It indicates that the opinion of the respondents is concentrated towards the higher side of the mean score. Hence, it can be concluded that the majority o respondents were found satisfied with the security of online transactions through ATM- cum-debit cards.

Finding

- The majority of respondents availed ATM cum Debit Card and only 22.83 percent used credit card facilities.
- The study reveals.61.50 percent of respondents used Internet Banking and 66,50 respondents used mobile banking services provided by Bank.
- The study reveals that ATM Cum debit card is at the first rank regarding comfort for customers followed by credit card and mobile banking.
- The study reveals that 39.00 percent frequently used more than thrice ATM.
- The study reveals that 54.50 percent are highly satisfied regarding the Location of ATM.
- In the study 53.50 percent of respondents satisfy with the security of online Debit Card transactions.
- In the study 45.55 percent of the respondent are satisfied with the correctness of the mini statement.
- The study reveals that 35.33 percent of the respondent are satisfied with the overall service quality of ATM cum debit cards.

Suggestion

- Banker should provide proper awareness among the customers regarding the E-Banking services provided by the bank
- Bankers should provide the proper training regarding how to use these services like Debit cards, credit cards, internet banking, and mobile banking, etc.
- The banker gives proper facility to remove security issues concern regarding ATM card facility.
- The banker gives personal attention to solve the challenges faced by customers.
- The banker should provide knowledge of the latest services of banks from time to time.

Conclusion

The study concluded that customers are highly satisfied with the facility provide by the bank. ATM cum debit card ranked as first which are most popular among the customers followed by credit Card, Mobile banking, and Internet Banking. Bank customers are more comfortable with ATM Debit cards. The study is focused on customer points of view regarding E-banking services by banks. (Punjab National bank). Majority of Customers prefer ATM as a mode for cash withdrawal. Overall satisfaction of customer are satisfied with the facility of bank.

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